#### DEPARTMENT OF PLANNING AND PERMITTING

#### CITY AND COUNTY OF HONOLULU

650 SOUTH KING STREET, 7<sup>TH</sup> FLOOR • HONOLULU, HAWAII 96813
PHONE: (808) 768-8000 • FAX: (808) 768-6041
DEPT. WEB SITE: <u>www.honoluludpp.org</u> • CITY WEB SITE: <u>www.honolulu.gov</u>

KIRK CALDWELL MAYOR



March 23, 2016

The Honorable Ernest Y. Martin Chair and Presiding Officer and Members Honolulu City Council 530 South King Street, Room 202 Honolulu, Hawaii 96813

Dear Chair Martin and Councilmembers:

SUBJECT: Department of Planning and Permitting (DPP) Report and Draft Bill to Amend Chapter 14, Chapter 18, and Chapter 22, Revised Ordinances of Honolulu (ROH) 1990, as Amended, Relating to Incentives for Accessory Dwelling Units (ADU) Production

We are pleased to present you with a draft Bill and Director's Report for proposed amendments to the ROH relating to incentives for ADU Production. The Bill was initiated by the DPP, and developed in collaboration with the Department of Environmental Services, the Department of Parks and Recreation, and the Department of Budget and Fiscal Services. The draft Bill is transmitted for review and adoption.

Should you have any questions, please contact me at 768-8000.

Very truly yours,

George I. Atta, FAICP

George ? Atta

Director

Attachments: Draft Bill Relating to Incentives for ADU Production

Director's Report

APPROVED:

Roy K. Amemiya, Jr. Managing Director

DEPT. COM. 184

GEORGE I. ATTA, FAICP

DIRECTOR

ARTHUR D. CHALLACOMBE
DEPUTY DIRECTOR

# RELATING TO ACCESSORY DWELLING UNIT FEE WAIVERS Director's Report March 14, 2016

#### Background

On December, 2014, the City Council adopted Resolution No. 14-200 (see attached), initiating amendments to the Land Use Ordinance (LUO) relating to Accessory Dwelling Units (ADU). The proposed Ordinance states: "the purpose of this ordinance is to amend the provisions of the Land Use Ordinance, Revised Ordinances of Honolulu 1990, Chapter 21, relating to Ohana dwellings to encourage the creation of affordable housing and to accommodate a variety of housing arrangements." The Department of Planning and Permitting (DPP) recommended setting new provisions for ADUs, instead of replacing the regulations of Ohana Dwelling Units with ADUs.

With these goals in mind, the Council unanimously passed Ordinance 15-41 (see attached), which was signed into law on September 14, 2015 by Mayor Kirk Caldwell. This Ordinance established ADUs as a permitted use in all residential zoning districts and the country district, as long as certain zoning criteria and infrastructure requirements are met. It also includes provisions to maintain the character of the neighborhood, reduce parking requirements, and to convert existing structures to ADUs. A required covenant on the property limits use of the ADU to rental housing for a minimum six-month lease.

#### **Analysis**

Oahu is experiencing a housing crisis and there are several proactive efforts to produce affordable and workforce housing. The "Housing Oahu: Affordable Housing Strategy" (2015 draft) identifies strategies to address Oahu's housing needs through new and revised policies, incentives, regulations, and investments in partnership with developers, builders, and other stakeholders. Updating policies and regulations to promote housing production is one of the five strategic actions in the Strategy. It identifies affordable rental housing as the largest need, and notes that it is very difficult to produce rental housing. The ADU Ordinance allows individual homeowners and the construction industry to help address the rental housing need without direct government subsidy.

Many municipalities have been permitting and encouraging ADUs for a number of years; and the impacts and benefits of their policies vary widely depending on the regulations and incentives that they provide. Municipalities that have incorporated ADU fee waivers and incentives have experienced increased production of ADUs. The City of Portland saw ADU production increase from approximately 30 units per year to over 200 units per year after waiving permit fees in 2010.

<sup>&</sup>lt;sup>1</sup> Draft "Affordable Housing Strategy" summary attached.

The DPP Director's Report prepared for Bill 20 (2015) recommended providing fee waivers to help stimulate ADU production and increase the number of affordable rental units. Based on review of permit charges and potential impacts and discussions with other City departments, the DPP recommends a two-year waiver of building and grading permit fees, as well as the one-time wastewater system facility charges. This is similar to the temporary fee waivers provided for photovoltaic solar electric panels several years ago, which helped ramp up production and establish the solar industry. The DPP also recommends permanently exempting ADUs from land dedication requirements for park and playground.

The following are positive impacts experienced by several communities around the United States, and that Honolulu could benefit from when the proposed Bill passes.

- Besides increasing the production of rental housing, ADUs provide housing options that meet the needs of a wide variety of populations, including low-income households, elders seeking to age in place, and young adults.
- ADUs raise revenues through additional property taxes and monthly sewer and water fees, diminishing the impacts of foregone revenues from the waivers of building permit fees and wastewater system facility charges.
- ADUs are only eligible where adequate infrastructure is in place. Due to smaller household sizes, ADUs use less sewer capacity and require fewer parking spaces than new developments. Therefore, ADUs are an efficient way to increase rental housing supply without additional public infrastructure investment, and help protect the natural environment by directing growth to existing urban areas.
- Providing ADU incentives can help accelerate innovation, production, and marketing for the building industry. Since the adoption of the Ordinance, several organizations and companies have demonstrated interest in learning how to take advantage of this market opportunity, and are exploring a variety of approaches to stimulate ADU production.

The DPP has coordinated with other City departments and housing organizations to work collaboratively to address Oahu's housing needs. This Bill is part of those efforts and responds to the need for rental housing by providing temporary financial incentives for the production of ADUs. The agencies directly involved with this effort are the DPP, the Department of Environmental Services, the Department of Parks and Recreation, the Department of Budget and Fiscal Services, and the Board of Water Supply<sup>2</sup>.

<sup>&</sup>lt;sup>2</sup> The Board of Water Supply (BWS) is looking into how to provide incentives for ADUs. As a semiautonomous agency, the BWS has to consult their Board of Directors and the community for any rate changes. No waiver for water charges has been included in this Bill.

#### **Bill Summary**

Title

A "Bill for an Ordinance" Relating To Incentives For Accessory Dwelling Units (ADU) Production.

Purpose:

Amend Chapter 14, Chapter 18, and Chapter 21 to temporarily exempt certain fees to stimulate the production of ADUs, and to permanently exempt ADUs from land dedication requirements for park and playground purposes.

Means:

Amend the Revised Ordinances of Honolulu (ROH) 1990, as amended, by changing the following:

Section 14-14.4Section 18-6.5Section 22-7.5

Amend the ROH 1990, as amended, by adding the following section:

Section 14-10.7

Amendments:

Amendments and additions are intended to:

- Waive building, plan review, grading, grubbing or stockpiling permit fees, for a period of two years, until June 30, 2018.
- Waive the wastewater system facility charges, for a period of two years, until June 30, 2018.
- Provide a permanent waiver of park dedication fees, the same as currently provided for Ohana Dwelling Units.
- Fees for after-the-fact building permits will not be waived (for converting illegally constructed structures into legal ADUs).
- Refund fees paid by applicants that have received their ADU permits since the ADU Ordinance was signed into law (September 14, 2015).

Effective Date:

Upon approval.

Attachments: Resolution No.14-200

Ordinance 15-41

Housing Oahu: Affordable Housing Strategy

**Executive Summary** 

**Attachments** 



No.	14-200

# RESOLUTION

PROPOSING AN AMENDMENT TO CHAPTER 21, REVISED ORDINANCES OF HONOLULU 1990 (THE LAND USE ORDINANCE), AS AMENDED, RELATING TO ACCESSORY DWELLING UNITS.

WHEREAS, Honolulu has a severe affordable housing shortfall and the highest rents in the State; and

WHEREAS, more than half of all households statewide are defined as costburdened (paying more than 30 percent of their income towards shelter) and nearly 80 percent of extremely low-income households (with incomes less than 30 percent of the area median income) are paying more than half of their income towards housing; and

WHEREAS, accessory dwelling units (ADUs) are a housing option that meet the needs of a wide variety of populations, including low-income households in need of affordable housing, elders seeking to age in place, and adult children; and

WHEREAS, ADUs are a way to add affordable rental housing stock without substantial government subsidies while also raising revenues through additional taxes and fees; and

WHEREAS, a growing body of research indicates the success of ADUs as a means to increase housing inventory with a low impact on neighborhood infrastructure, as well as the widespread acceptance of ADUs in cities of comparable size and composition to Honolulu; and

WHEREAS, ADUs offer homeowners an additional source of income and an opportunity to increase property values while adding to the housing inventory; and

WHEREAS, ADUs use already existing infrastructure but due to smaller household sizes use less sewer capacity and require fewer parking spaces than new developments; and

WHEREAS, homeowners have an incentive to create ADUs that enhance their own properties and neighborhoods; and

WHEREAS, the restrictive covenant limiting occupancy of secondary dwelling units to family members ("ohana units") limits the beneficial impacts of ADUs and the creation of authorized secondary dwelling units; and



No.	14-200	

# RESOLUTION

WHEREAS, the state statute permitting secondary dwelling units does not impose any covenant restricting occupancy to family members, and the counties of Maui, Hawaii, and Kauai have imposed no such limitation; and

WHEREAS, the large number of "rec rooms" indicated on building plans suggest that some may be being used as unauthorized ADUs, escaping city fees, and potentially escaping state general excise and income taxes; and

WHEREAS, Section 6-1513 of the Revised Charter of the City and County of Honolulu 1973, as amended ("RCH"), provides that "[a]ny revision of or amendment to the zoning ordinances may be proposed by the council and shall be processed in the same manner as if proposed by the director [of planning and permitting]"; and

WHEREAS, Revised Ordinances of Honolulu 1990, as amended (ROH), Chapter 2, Article 24, establishes procedures and deadlines for the processing of Council proposals to revise or amend the general plan, the development plans, the zoning ordinances, and the subdivision ordinance, and clarifies the responsibility of the Director of Planning and Permitting to assist the Council in adequately preparing its proposals for processing; now, therefore,

BE IT RESOLVED by the Council of the City and County of Honolulu that the Director of Planning and Permitting and the Planning Commission are directed, pursuant to Section 6-1513 of the RCH and ROH Chapter 2, Article 24, to process the proposed amendment to Chapter 21, ROH 1990 (the Land Use Ordinance), attached hereto as Exhibit "A," in the same manner as if the proposal had been proposed by the Director; and

BE IT FURTHER RESOLVED that the Director of Planning and Permitting is directed to inform the Council upon the transmittal of the Director's report and the proposed Land Use Ordinance amendment to the Planning Commission; and



No.	14-200	

# RESOLUTION

BE IT FINALLY RESOLVED that, pursuant to ROH Chapter 2, Article 24, the Clerk will transmit copies of this Resolution and the Exhibit attached hereto to the Director of Planning and Permitting and the Planning Commission of the City and County of Honolulu, and will advise them in writing of the date by which the Director's report and accompanying proposed ordinance are required to be submitted to the Planning Commission.

다. (1) 12 	INTRODUCED BY:
. [1] 	
<b>C</b> 93	
gring Art   remains   with seminal	
- # 	
DATE OF INTRODUCTION:	
SEP 5 2014	
Honolulu, Hawaii	Councilmembers

# **EXHIBIT A**



ORDINANCE	
BILL	

RELATING TO ACCESSORY DWELLING UNITS.

BE IT ORDAINED by the People of the City and County of Honolulu:

SECTION 1. Purpose. The purpose of this ordinance is to amend the provisions of the Land Use Ordinance, Revised Ordinances of Honolulu 1990, Chapter 21, relating to Ohana dwellings to encourage the creation of affordable housing and to accommodate a variety of housing arrangements.

SECTION 2. Section 21-8.20 ("Housing—Ohana dwellings"), Revised Ordinances of Honolulu 1990, as amended, is amended to read as follows:

# "Sec. 21-8.20 Housing—[Ohana dwellings] Accessory dwelling units.

- (a) The purpose of this section is to encourage the creation of affordable housing and accommodate a variety of housing arrangements, including extended family living, without substantially altering existing neighborhood character.
- (b) It is intended that ["ohana"] <u>accessory dwelling</u> units be allowed only in areas where wastewater, water supply and transportation facilities are adequate to support additional density.
- (c) One [ohana] <u>accessory</u> dwelling unit may be located on a lot zoned for residential, country, or agricultural use, with the following limitations:
  - (1) The maximum size of an [ohana] <u>accessory</u> dwelling unit [shall] <u>will</u> not be limited but [shall] <u>will</u> be subject to the maximum building area development standard in the applicable zoning district.
  - (2) [Ohana] <u>Accessory</u> dwelling units [shall] <u>will</u> not be permitted on lots within a zero lot line project, cluster housing project, agricultural cluster, country cluster, planned development housing, R-3.5 zoning districts, or on duplex unit lots.
  - (3) An [ohana] <u>accessory</u> dwelling unit [shall] <u>will</u> not be permitted on any nonconforming lot.
  - (4) The [ohana] <u>accessory</u> dwelling unit and the first dwelling [shall] <u>may</u> be located within a single structure, (i.e., within the same two-family detached dwelling) or in two separate detached dwellings.



ORDINANCE	
BILL	

- [(5) The ohana dwelling unit shall be occupied by persons who are related by blood, marriage or adoption to the family residing in the first dwelling. Notwithstanding this provision, ohana dwelling units for which a building permit was obtained before September 10, 1992 are not subject to this restriction and their occupancy by persons other than family members is permitted.]
- [(6)] (5) All other provisions of the zoning district [shall] will apply.
- [(7)] (6) [The parking provisions of this chapter applicable at the time the ohana building permit is issued shall apply and the provision of such parking shall be a continuing duty of the owner.] An accessory dwelling unit with zero or one bedrooms will require one off-street parking stall. An accessory dwelling unit with two or more bedrooms will require two off-street parking stalls.
- [(8)] (7) The owner or owners of the lot [shall] will record in the bureau of conveyances of the State of Hawaii, or if the lot is subject to land court registration under HRS Chapter 501, they [shall] will record in the land court, a covenant that neither the owner or owners, nor the heirs, successors or assigns of the owner or owners [shall] will submit the lot or any portion thereof to the condominium property regime established by HRS Chapter 514A. The covenant [shall] will be recorded on a form approved by or provided by the director and may contain such terms as the director deems necessary to ensure its enforceability. The failure of an owner or of an owner's heir, successor or assign to abide by such a covenant [shall] will be deemed a violation of Chapter 21 and be grounds for enforcement of the covenant by the director pursuant to Section 21-2.150, et seq., and [shall] will be grounds for an action by the director to require the owner or owners to remove, pursuant to HRS Section 514A-21, the property from a submission of the lot or any portion thereof to the condominium property regime made in violation of the covenant."

SECTION 3. Section 21-10.1 ("Definitions"), Revised Ordinances of Honolulu 1990, as amended, is amended by adding a new definition of "accessory dwelling unit" as follows:

""Accessory dwelling unit" means a second dwelling unit, including separate kitchen, bathroom, and bedroom facilities, attached or detached from the primary residential unit."



ORDINANCE	
BILL	

SECTION 4. Ordinance material to be repealed is bracketed. New material is underscored. When revising, compiling or printing this ordinance for inclusion in the Revised Ordinances of Honolulu, the revisor of ordinances need not include the brackets, the bracketed material or the underscoring.



ORDINANCE	
BILL	

SECTION 5. This ordinance will take effect upon its approval.

	INTRODUCED BY:		
DATE OF INTRODUCTION:			
Honolulu, Hawaii	Councilmembers		
APPROVED AS TO FORM AND LEGA	LITY:		
Deputy Corporation Counsel	······································		
APPROVED this day of	, 20		
KIRK CALDWELL, Mayor			

#### CITY COUNCIL CITY AND COUNTY OF HONOLULU HONOLULU, HAWAII CERTIFICATE

#### **RESOLUTION 14-200**

Introduced: 09/05/14

By: RON MENOR

Committee: ZONING AND PLANNING

Title:

RESOLUTION PROPOSING AN AMENDMENT TO CHAPTER 21, REVISED ORDINANCES OF HONOLULU 1990 (THE LAND USE ORDINANCE), AS AMENDED, RELATING TO ACCESSORY

DWELLING UNITS.

Voting Legend: \* = Aye w/Reservations

NOTE: EFFECTIVE NOVEMBER 4, 2014, COUNCILMEMBER BREENE HARIMOTO, REPRESENTING COUNCIL DISTRICT VIII, RESIGNED FROM OFFICE. (Refer to Communication <u>CC-245</u> )
 NOTE: BRANDON ELEFANTE WAS SWORN IN AND TOOK OFFICE AS A MEMBER OF THE HONOLULU CITY COUNCIL ON WEDNESDAY, NOVEMBER 12, 2014 REPRESENTING DISTRICT VIII.
 CR-335 – RESOLUTION REPORTED OUT OF COMMITTEE FOR ADOPTION.

11/20/14	ZONING AND PLANNING	CR-335 – RESOLUTION REPORTED OUT OF COMMITTEE FOR ADOPTION.
12/10/14	COUNCIL	CR-335 AND RESOLUTION 14-200 WERE ADOPTED.
		9 AYES: ANDERSON, CHANG, ELEFANTE, FUKUNAGA, KOBAYASHI, MANAHAN, MARTIN, MENOR, PINE.

I hereby cartify that the above is a true record of action by the Council of the City and County of Horjolulu on this RESOLUTI

NEST Y. MARTIN, CHAIR AND PRESIDING OFFICER



ORDINANCE	15-41
ORDINANCE	17-41

BILL 20 (2015), CD1

#### A BILL FOR AN ORDINANCE

TO AMEND CHAPTER 21, REVISED ORDINANCES OF HONOLULU 1990, AS AMENDED (THE LAND USE ORDINANCE), RELATING TO ACCESSORY DWELLING UNITS.

BE IT ORDAINED by the People of the City and County of Honolulu:

SECTION 1. Purpose and intent. The purpose of this ordinance is to establish accessory dwelling units as a permitted use in all residential zoning districts, to encourage and accommodate the construction of accessory dwelling units, increase the number of affordable rental units and alleviate the housing shortage in the City, and to establish land use standards for those accessory dwelling units.

SECTION 2. Section 21-2.140-1, Revised Ordinances of Honolulu ("Specific circumstances"), is amended by adding a new subsection (o) to read as follows:

- "(o) Conversion of accessory structures. An existing, legally established, accessory structure constructed prior to the effective date of this ordinance in the country or residential district may be converted to an accessory dwelling unit and allowed to exceed the maximum floor area established by Section 21-5. (c)(1) and/or be exempted from the off-street parking requirement established by Section 21-5. (c)(4) and contained in Table 21-6.1 subject to the following conditions:
  - (1) Provided the director finds that viable constraints do not allow the reduction of the floor area of the existing accessory structure.
  - (2) Provided that the director finds that no feasible alternative off-street parking site exists due to the placement of structures on; and/or the topography of, the zoning lot."

SECTION 3. Table 21-3, Revised Ordinances of Honolulu 1990 ("Master Use Table"), is amended by amending the "Dwelling and Lodgings" category to permit duplex units and detached two-family dwellings within Country and R-10 and R-20 Residential zoning districts and add "accessory dwelling units," to read as follows:



BILL 20 (2015), CD1

# A BILL FOR AN ORDINANCE

#### "TABLE 21-3 **MASTER USE TABLE**

In the event of any conflict between the text of this Chapter and the following table, the text of the Chapter shall control. The following table is not intended to cover the Walkiki Special District; please refer to Table 21-9.6(A).

	,			<del></del>	<del>,</del>		ZON	IING DI	STRIC	TS	,										
USES ( <u>Note</u> : Certain uses are defined in Article 10.)	P-2	AG-1	AG-2	Country	R-20, R-10	R-7.5, R-5, R-3.5	A-1	A-2	A-3	AMX-1	AMX-2	AMX-3	Resort	B-1	B-2	BMX-3	BMX-4	1-1	7-1	н3	MX-1
DWELLINGS AND LODGINGS																					
Accessory dwelling units				Ac	<u>Ac</u>	<u>Ac</u>													[		
Boarding facilities							Р	Р	Р	Р	Р	Р				Р	Р		h		
						1	1	<b>†</b>	<del> </del>						<b></b>	<b>├</b> ──	<del> </del>	<del></del>			

Accessory dwelling units				Ac	<u>Ac</u>	<u>Ac</u>			I	П	T				<u> </u>						Г
Boarding facilities							Р	Р	Р	Р	Р	Р				Р	Р		<b>1</b>		
Consulates					P/c	P/c	Р	Р	Р	Р	P	Р	Р	Р	P	Р	Р	T	t		
Duplex Units				면	<u>e</u>	Р	Р	Р	Р	Р	Р	Р	Р	1		Р	<b></b>	1			<del>                                     </del>
Dwellings, owner's or caretaker's, accessory														Ac	Ac		Ac	Ac	Ac	Ac	Ac
Dwellings for cemetery caretakers	Ac		Ac																		
Dwellings, detached, one-family				Р	Р	Р	Р	Р	Р	Р	Р	Р	Р			Ρ					
Dwellings, detached, two-family			T	P	므	Р	Р	Р	Р	Р	P	Р	Р			Р					
Dwellings, multifamily					7		Р	Р	Р	Р	Р	Р	Р			P/c	Р			<u> </u>	
Farm dwellings		P/c	P/c																		
Group living facilities		С	С	С	С	С	Ç	С	С	С	С	С				С	Cm				
Guest houses (R-20 only)					Ac												1				
Hotels													Р			C Cm	Р		Cm		Cm
Roomers/Rooming				Ac	Ac	Ac									-						
Special needs housing for the elderly							С	С	С	С	С	С				С	С				
Time sharing								P/c					Р								
Transient vacation units								P/c					Р	<u> </u>							
Vacation cabins	С									T											



ORDINANCE 15-41

BILL **20 (2015), CD1** 

### A BILL FOR AN ORDINANCE

SECTION 4. Table 21-3.2, Revised Ordinances of Honolulu 1990 ("Residential Districts Development Standards"), is amended to read as follows:

#### "Table 21-3.2 Residential Districts Development Standards

Development Standard				District						
		R-3.5	R-5	R-7.5	R-10	R-20				
Minimum lot area (square feet)  One-family dwelling, detached, a other uses		3,500	5,000	7,500	10,000	20,000				
	Two-family dwelling, detached	7,000	7,500	14,000	[Use not permitted] 15,000	[Use not permitted] 25,000				
	Duplex	3,500	3,750	7,000	[Use not permitted] 7,500	[Use not permitted] 12,500				
Minimum lot v (feet)	Minimum lot width and depth (feet)		plex unit, her uses	35 per duplex unit, 65 for other uses	65 for dwellings, 100 for other uses	100				
Yards (feet):	Yards (feet): Front		10 for dwellings, 30 for other uses							
Side and rear			5 for dw 15 for ot	5 for dwellings <sup>1</sup> , 15 for other uses						
Maximum building area		50 percent of the zoning lot								
Maximum heig	Maximum height (feet) <sup>2</sup>		25-30							
Height setbac	ks	per Sec. 21-3.70-1(c)								

<sup>&</sup>lt;sup>1</sup> For duplex lots, 5 feet for any portion of any structure not located on the common property line; the required side yard is zero feet for that portion of the lot containing the common wall.

<sup>&</sup>lt;sup>2</sup> Heights above the minima of the given range may require height setbacks or may be subject to other requirements. See the appropriate section for the zoning district for additional development standards concerning height."

ORDINANCE \_\_15-41

BILL 20 (2015), CD1

#### A BILL FOR AN ORDINANCE

SECTION 5. Chapter 21, Article 5, Revised Ordinances of Honolulu 1990 ("Specific Use Development Standards"), is amended by adding a new Section for "Accessory dwelling units," to be appropriately numbered by the revisor of ordinances and to read as follows:

#### "Sec. 21-5. Accessory dwelling units.

- (a) The purpose of this section is to encourage and accommodate the construction of accessory dwelling units to increase the number of affordable rental units, without substantially altering existing neighborhood character, in order to alleviate the housing shortage in the city.
- (b) It is intended that accessory dwelling units only be allowed in areas where wastewater, water supply, and transportation facilities are adequate to support the additional dwelling units.
- (c) One accessory dwelling unit may be located on a lot in the country, R-3.5, R-5, R-7.5, R-10, and R-20 zoning districts, subject to the following conditions:
  - (1) The maximum size of an accessory dwelling unit shall be as follows:

Lot Area	Maximum Floor Area
3,500 to 4,999 sq. ft.	400 sq. ft.
5,000 sq. ft. or more	800 sq. ft.

- (2) Accessory dwelling units are not permitted:
  - (A) On lots with a lot area of less than 3,500 square feet:
  - (B) On lots that have more than one dwelling unit, including but not necessarily limited to, more than one single-family dwelling, two-family dwelling, accessory authorized ohana dwelling, guest house, multi-family dwellings, planned development housing, cluster, or group living facility; or
  - (C) On lots that are landlocked.
- (3) The property owner or owners or persons who are related by blood, marriage, or adoption to the property owner or owners, or designated authorized representative shall occupy the primary dwelling unit or the accessory dwelling unit; except in unforeseen hardship circumstances

ORDINANCE 15-41

BILL 20 (2015), CD1

#### A BILL FOR AN ORDINANCE

(e.g., active military deployment, serious illness) that prevent the continued occupancy of the primary dwelling unit or the accessory dwelling unit, subject to confirmation by the director.

- (4) One off-street parking space per accessory dwelling unit must be provided in addition to the required off-street parking for the primary dwelling unit, except for accessory dwelling units located within one-half mile of a rail transit station. For purposes of this section, the minimum distance requirement is measured as the shortest straight line distance between the edge of the station area and the zoning lot line(s) of the project site.
- (5) The owner or owners of the lot shall record covenants running with the land with the bureau of conveyances or the land court of the State of Hawaii, or both, as is appropriate, stating that:
  - (A) Neither the owner or owners, nor the heirs, successors or assigns of the owner or owners will submit the lot or any portion thereof to a condominium property regime under the provisions of HRS Chapter 514A to separate the ownership of an accessory dwelling unit from the ownership of its primary dwelling unit;
  - (B) The property owner or owners, or persons who are related by blood, marriage, or adoption to the property owner or owners, or designated authorized representative(s) shall occupy the primary dwelling unit or the accessory dwelling unit so long as the other unit is being rented or otherwise occupied; except in cases of unforeseen hardship circumstances (e.g., active military deployment, serious illness) that prevent the continued occupancy of the primary dwelling unit or the accessory dwelling unit, subject to confirmation by the director. For purposes of this section, "designated authorized representative(s)" means the person or persons designated by the property owner or owners to the department of planning and permitting, who are responsible for managing the property;
  - (C) The accessory dwelling unit may only be used for long-term rental or otherwise occupied for periods of at least six months, and cannot be used as a bed and breakfast home or transient vacation unit;
  - (D) If the property owner or owners, or persons who are related by blood, marriage or adoption to the property owner or owners, or designated authorized representative(s) choose to receive rent for



ORDINANCE \_\_15-41

BILL 20 (2015), CD1

#### A BILL FOR AN ORDINANCE

the primary dwelling unit and occupy the accessory dwelling unit, the primary dwelling unit may only be used for long-term rental or otherwise occupied for a minimum period of six months, and cannot be used as a bed and breakfast home or transient vacation unit;

- (E) The accessory dwelling unit is limited to the approved size in accordance with the provisions of Chapter 21; and
- (F) The deed restrictions lapse upon removal of the accessory dwelling unit, and all of the foregoing covenants are binding upon any and all heirs, successors and assigns of the owner or owners.

The covenant must be recorded on a form approved by or provided by the director and may contain such terms as the director deems necessary to ensure its enforceability. The failure of an owner or of an owner's heir, successor or assign to abide by such a covenant will be deemed a violation of Chapter 21 and will be grounds for enforcement by the director pursuant to Section 21-2.150, et seq.

- (6) All other provisions applicable to the zoning district apply.
- All rentals of an accessory dwelling unit, or of the primary dwelling unit if the property owner or owners, or persons who are related by blood, marriage or adoption to the property owner or owners, or designated authorized representative(s) choose to receive rent for the primary dwelling unit and occupy the accessory dwelling unit, must be evidenced by a written rental agreement signed by the owner and the tenant for a lease period of at least six months; provided that after the initial lease period is concluded, the owner may allow the same tenant to continue renting the accessory dwelling unit on a consecutive month-to-month basis.
- (d) At the time of application, the applicant shall first obtain written confirmation from the responsible agencies that wastewater treatment and disposal, water supply, and access roadways are adequate to accommodate the accessory dwelling unit.
- (e) An accessory dwelling unit may be created by building a new structure (attached or detached from the primary dwelling unit) or through conversion of a legally established structure (attached to or detached from the primary dwelling unit), attic or basement, subject to meeting all pertaining zoning requirements.



ORDINANCE 15-41

BILL 20 (2015), CD1

#### A BILL FOR AN ORDINANCE

- The owner of a structure constructed without a building permit prior to the effective date of this ordinance, who wants to convert that structure to an accessory dwelling unit shall obtain an after-the-fact building permit. In addition to fulfilling the base requirements of the after-the-fact permit, any adjustments to the structure must conform to the accessory dwelling unit regulations enumerated in this section and any additional adopted policies and rules.
- (g) The department of planning and permitting must be notified upon removal of an accessory dwelling unit.
- (h) Prima facie evidence. If an accessory dwelling unit is advertised as a bed and breakfast home or transient vacation unit, the existence of such advertisement will be prima facie evidence of the following:
  - (1) That the owner of the advertised unit disseminated or directed the dissemination of the advertisement in that form and manner; and
  - (2) That a bed and breakfast home or transient vacation unit, as applicable, is being operated at the location advertised.

The burden of proof is on the owner to establish otherwise with respect to the advertisement and that the subject property either is not being used as a bed and breakfast or transient vacation unit, or that it is being used legally for such purpose."

SECTION 6. Section 21-6.30, Revised Ordinances of Honolulu 1990 ("Method of determining number"), is amended by amending subsection (d) to read as follows:

"(d) All required parking spaces [shall] <u>must</u> be standard-sized parking spaces, except that duplex units, detached dwellings and multifamily dwellings may have up to 50 percent compact spaces, and accessory dwelling units may have one compact space."

SECTION 7. Table 21-6.1, Revised Ordinances of Honolulu 1990 ("Off-street Parking Requirements"), is amended by amending the DWELLINGS AND LODGINGS category to read as follows:

ORDINANCE	15–41

BILL 20 (2015), CD1

#### A BILL FOR AN ORDINANCE

Off-street	Table 21-6.1 Parking Requirements	
Use <sup>1</sup>	Requirem	ient²
DWELLING AND LODGINGS		
Boarding facilities	2 plus 0.75 per unit	
Consulates	1 per dwelling or lodging unit, feet of office floor area, but no	
Dwellings, accessory dwelling unit	1 per accessory dwelling unit accessory dwelling unit is loc- mile of a rail transit station	or none if the
Dwellings, detached, duplex and farm	2 per unit plus 1 per 1,000 sq square feet (excluding carpor	
Dwellings, multifamily	Floor Area of Dwelling or Lodging Units 600 sq. ft. or less More than 600 but less than 800 sq. ft. 800 sq. ft. and over	Required Parking per Unit  1  1.5 2
Hotels: dwelling units	1 per unit	
Hotels: lodging units	0.75 per unit	

SECTION 8. Section 21-6.40, Revised Ordinances of Honolulu 1990 ("Arrangement of parking spaces"), is amended by amending subsection (c) to read as follows:

- "(c) All spaces [shall] <u>must</u> be arranged so that any automobile may be moved without moving another except that tandem parking [shall be] <u>is</u> permissible in any of these instances:
  - (1) Where two or more parking spaces are assigned to a single dwelling unit and/or a parking space is assigned to an accessory dwelling unit.
  - (2) For use [for] <u>as</u> employee parking, except that at no time [shall] <u>can</u> the number of parking spaces allocated for employees exceed 25 percent of the total number of required spaces. Also, for employee parking, "tandem" parking [shall be] <u>is</u> limited to a configuration of two stacked parking stalls.
  - (3) Where all parking is performed by an attendant at all times, and vehicles may be moved within the lot without entering any street, alley or walkway.



BILL 20 (2015), CD1

#### A BILL FOR AN ORDINANCE

(4) For public assembly facilities and temporary events when user arrivals and departures are simultaneous and parking is attendant directed."

SECTION 9. Section 21-8.20, Revised Ordinances of Honolulu 1990 ("Housing-Ohana dwellings"), is amended by amending subsection (c) to read as follows:

- "(c) One ohana dwelling unit may be located on a lot zoned for residential, country, or agricultural use, with the following limitations:
  - (1) The maximum size of an ohana dwelling unit [shall] <u>is</u> not [be] limited but [shall] <u>will</u> be subject to the maximum building area development standard in the applicable zoning district.
  - (2) Ohana dwelling units [shall] <u>are</u> not [be] permitted on lots within a zero lot line project, cluster housing project, agricultural cluster, country cluster, planned development housing, R-3.5 zoning districts, or on duplex unit lots.
  - (3) An ohana dwelling unit [shall] <u>is</u> not [be] permitted on any nonconforming lot.
  - (4) The ohana dwelling unit and the first dwelling [shall] <u>may</u> be located within a single structure, i.e., within the same two-family detached dwelling, or the ohana dwelling unit may be detached from the first dwelling and located on the same lot as the first dwelling.
  - (5) The ohana dwelling unit [shall] <u>must</u> be occupied by persons who are related by blood, marriage or adoption to the family residing in the first dwelling. Notwithstanding this provision, ohana dwelling units for which a building permit was obtained before September 10, 1992 are not subject to this restriction and their occupancy by persons other than family members is permitted
  - (6) All other provisions of the zoning district [shall] apply.
  - (7) The parking provisions of this chapter applicable at the time the ohana building permit is issued [shall] apply and the provision of such parking [shall be] is a continuing duty of the owner.
  - (8) The owner or owners of the lot shall record in the bureau of conveyances of the State of Hawaii, or if the lot is subject to land court registration under HRS Chapter 501, they shall record in the land court, a covenant



BILL 20 (2015), CD1

#### A BILL FOR AN ORDINANCE

that neither the owner or owners, nor the heirs, successors or assigns of the owner or owners shall submit the lot or any portion thereof to the condominium property regime established by HRS Chapter 514A. The covenant [shall] must be recorded on a form approved by or provided by the director and may contain such terms as the director deems necessary to ensure its enforceability. The failure of an owner or of an owner's heir, successor or assign to abide by such a covenant [shall] will be deemed a violation of Chapter 21 and be grounds for enforcement of the covenant by the director pursuant to Section 21-2.150, et seq., and [shall] will be grounds for an action by the director to require the owner or owners to remove, pursuant to HRS Section 514A-21, the property from a submission of the lot or any portion thereof to the condominium property regime made in violation of the covenant."

SECTION 10. Section 21-10.1, Revised Ordinances of Honolulu 1990 ("Definitions"), is amended by adding new definitions of "Accessory dwelling unit" and "Designated authorized representative," to read as follows:

""Accessory dwelling unit" means a second dwelling unit, including separate kitchen, bedroom and bathroom facilities, attached or detached from the primary dwelling unit on the zoning lot."

""Designated authorized representative" means one or more persons appointed by the owner or owners to reside in the primary dwelling unit or accessory dwelling unit and act on behalf of the owner or owners in his or her absence."

SECTION 11. Ordinance material to be repealed is bracketed. New material is underscored. When revising, compiling or printing this ordinance for inclusion in the Revised Ordinances of Honolulu, the revisor of ordinances need not include the brackets, the bracketed material, or the underscoring.



ORDINANCE 15-41

BILL 20 (2015), CD1

# A BILL FOR AN ORDINANCE

SECTION 12. This ordinance takes effect upon its approval.

OLOTION 12. This ordinance (an	es ellect upon its approval.
	INTRODUCED BY:
	Ernest Martin (BR)
DATE OF INTRODUCTION:	
<u>March 5, 2015</u> Honolulu, Hawaii	Councilmembers
APPROVED AS TO FORM AND LEGAL	TY:
a Oliver	
Don's Kitacka	
Deputy Corporation Counsel	
APPROVED this 14th day of Septe	mber, 2015.
1.	
KIRK CALDIAGE L. Mayor	3.00p.
KIRK CALDWELL, Mayor City and County of Honolulu	1.

#### CITY COUNCIL CITY AND COUNTY OF HONOLULU HONOLULU, HAWAII CERTIFICATE

# ORDINANCE 15-41

BILL 20 (2015), CD1

Introduced: 03/05/15

By: ERNEST MARTIN (BR)

Committee: ZONING AND PLANNING

Title:

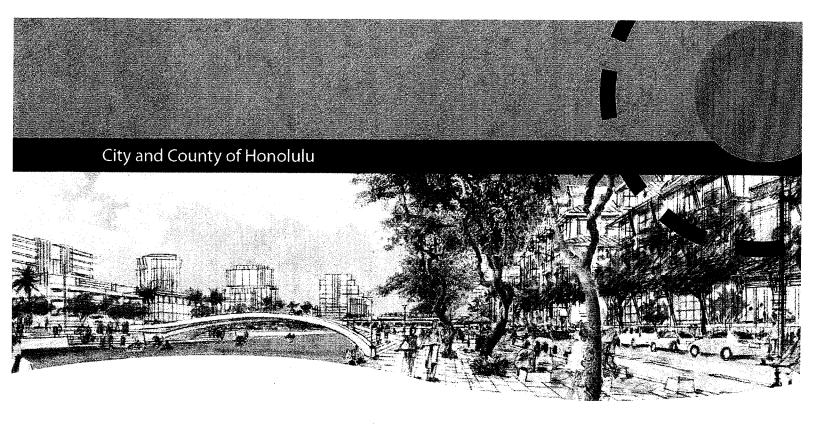
A BILL FOR AN ORDINANCE TO AMEND CHAPTER 21, REVISED ORDINANCES OF HONOLULU 1990. AS AMENDED (THE LAND USE ORDINANCE), RELATING TO ACCESSORY DWELLING UNITS. Voting Legend: \* = Aye w/Reservations

03/11/15	COUNCIL	RILL PASSED FIRST READING AND REFERRED TO COMMITTEE ON TONING
30,11,10	COONOIL	BILL PASSED FIRST READING AND REFERRED TO COMMITTEE ON ZONING AND PLANNING.
		8 AYES: ANDERSON, ELEFANTE, FUKUNAGA, KOBAYASHI, MANAHAN, MARTIN, MENOR, OZAWA.
		1 ABSENT: PINE.
04/25/15	PUBLISH	PUBLIC HEARING NOTICE PUBLISHED IN THE HONOLULU STAR-ADVERTISER.
04/30/15	ZONING AND PLANNING	CR-155 – BILL REPORTED OUT OF COMMITTEE FOR PASSAGE ON SECOND READING AND SCHEDULING OF A PUBLIC HEARING.
05/06/15	COUNCIL/PUBLIC HEARING	CR-155 ADOPTED. BILL PASSED SECOND READING, PUBLIC HEARING CLOSED AND REFERRED TO COMMITTEE ON ZONING AND PLANNING.
	ı	9 AYES: ANDERSON, ELEFANTE, FUKUNAGA, KOBAYASHI, MANAHAN, MARTIN, MENOR, OZAWA, PINE.
0/513/15	PUBLISH	SECOND READING NOTICE PUBLISHED IN THE HONOLULU STAR-ADVERTISER.
05/28/15	ZONING AND PLANNING	CR-223 – REQUESTING 120-DAY EXTENSION OF TIME.
06/03/15	COUNCIL	CR-223 ADOPTED.
		9 AYES: ANDERSON, ELEFANTE, FUKUNAGA, KOBAYASHI, MANAHAN, MARTIN, MENOR, OZAWA, PINE.
07/23/15	ZONING AND PLANNING	BILL DEFERRED IN COMMITTEE.
08/20/15	ZONING AND PLANNING	CR-335 – BILL REPORTED OUT OF COMMITTEE FOR PASSAGE ON THIRD READING AS AMENDED IN CD1 FORM.
09/02/15	COUNCIL	CR-335 ADOPTED AND BILL 20 (2015), CD1 PASSED THIRD READING AS AMENDED.
		9 AYES: ANDERSON, ELEFANTE, FUKUNAGA, KOBAYASHI, MANAHAN, MARTIN, MENOR, OZAWA, PINE.

I hereby certify that the above is a true record of action by the Council of the Cit are County of เอกอในใน on this BILL. 🗣

SHI, CITY CLERK

ERNEST Y. MARTIN, CHAIR AND PRESIDING OFFICER



# HOUSING OAHU: Affordable Housing Strategy

September 8, 2015

Draft for Review and Discussion

# HOUSING OAHU: Affordable Housing Strategy

#### **Executive Summary**

Oahu is experiencing a housing crisis. Our current housing policies, programs, and investments are fragmented and need updating to address escalating needs. The marketplace is not building enough affordable housing to keep up with demand. Many people live in overcrowded homes, spend more than 45% of their incomes on combined housing and transportation costs, or are homeless and living on the streets. Oahu would need more than 24,000 additional housing units to address pent-up demand combined with new

#### The Vision

Oahu – Hawaii's gathering place – will provide housing choices that build community, strengthen neighborhoods, and fit family budgets. All people will have access to shelter on Oahu.

household formation by 2016. Over 18,000 or 75% of the total projected demand is for households earning less than 80% of area median income (AMI), or \$76,650 for a family of four. This demand is largely for rental units. In contrast, only 2,080 residential building permits per year on average were issued over the last five years. Most homes built were for higher income households and for-sale units.

This Affordable Housing Strategy will help address these needs through new and revised policies, incentives, regulations, and investments, in partnership with developers, builders, and other stakeholders.

Implementing the Housing Strategy through City efforts will add approximately 4,000 units to the affordable housing inventory over five years. If the State participates as well and continues funding affordable housing projects at a rate similar to the projects currently in the pipeline, and capitalizes on TOD opportunities on state lands, the five-year total increase could be over 8,000 units. If these policies and investment strategies prove effective and are continued over a fifteen to twenty year period, the currently-identified housing needs will be met, with affordability of those units ensured for decades. Major new initiatives include:

• Affordable Housing Requirement. This will apply to all development over a certain threshold. Current regulations (applied only to rezoning) require affordability to be maintained for ten years or less. The new requirement will prioritize more affordable rental housing for lower income households, require affordability for three times longer, and have sufficient flexibility to meet developers' needs, including the four options summarized below.

Proposed Affordable Housing Requirement				
Applies to projects islandwide needing building permits for 10 units or more, with different percentages for rental and for-sale. May be adjusted for varying unit sizes and lower income ranges Four options:				
If Rental: 15% of the units at up to 80% of AMI				
If For-Sale: 20% of the units at up to 120% of AMI (1/2 up to 100%)				
CONSTRUCTION OFF-SITE:				
If Rental: 15% of the units at up to 80% of AMI				
If For-Sale: 25% of the units at up to 120% of AMI (1/2 up to 100%)				
IN LIEU OF CONSTRUCTION FEE or LAND DEDICATION: Cash contribution or improved land in lieu of building affordable units (proposed fee \$45 per finished SF).				
Minimum required period of affordability 30 years.				

the City's draft affordable housing requirement.

- Transit-Oriented Development. Building the rail system is a new driver. A toolkit of TOD zoning and financial incentives will encourage developers to build more affordable housing near the rail stations. City investments in catalytic projects, infrastructure, and public-private partnerships will help lead the market. Applying similar "transit-ready development" principles islandwide will help make sure that growth on the rest of Oahu is also compact, connected and walkable.
- Accessory Dwellings. The supply of rental housing in existing neighborhoods will be increased by updating zoning codes to allow accessory dwelling units (ADUs) to be added on existing single-family and country lots. Like ohana units but not limited to family members small cottages, additions, or converted garages will provide well-located, well-managed housing choices plus additional income for owners, or more accessible units for elders to move into as they 'age in place.' Over 100,000 homeowners could be eligible to build ADUs on their lots (if infrastructure has capacity), or convert existing structures, which could produce over 250 units per year.
- Financial Incentives. Recognizing the high cost of land and construction in Honolulu, a variety of financial tools will be available to incentivize affordable housing production, such as lower sewer and park dedication fees, reduced property taxes, and reduced parking requirements. Public-private partnerships can help overcome some barriers and better utilize City and State properties. Targeted public investment and other mechanisms like community facility districts can address infrastructure needs. While the City's investment in rail and proposed rezoning are themselves development incentives, additional funds will be made available to subsidize affordable housing development.

#### **Strategic Action Plan: Major Initiatives**

- 1. Increase Workforce Housing Inventory
  - Adopt new Affordable Housing Requirement islandwide to require longer affordability period at lower income levels in more projects.
  - Increase affordable housing production and adopt benchmarks.

#### 2. Increase Low-Income and Homeless Housing Options

- Acquire, develop, rehabilitate, and lease Housing First units.
- Leverage existing HUD funding to implement projects and to better coordinate and target homeless services.

#### 3. Invest in Better Neighborhoods

- Develop affordable and workforce housing in mixed-use, mixed-income catalytic TOD projects, using public-private partnerships.
- Implement a housing finance toolkit with incentives to stimulate private investment.
- Rehabilitate existing housing and invest in neighborhood infrastructure.

#### 4. Update Policies and Regulations to Promote Housing Production

- Adopt Neighborhood TOD Plans and update ordinances, zoning and parking requirements to make it easier to build mixed-use projects near rail stations.
- Expand zoning for multi-family and accessory dwelling units (ADUs) for affordable rental housing.
- Revise construction standards and building codes and improve permit process.

#### 5. Coordinate Implementation and Measure Progress

- Establish a strategic development office to fast-track implementation.
- Track production and inventory of affordable housing.

Acting together on this Strategy will help us emerge from our housing crisis and build a more diverse and affordable housing stock over time. Since this Strategy's initial presentation, stakeholder groups were reconvened and the document was revised to incorporate many of their suggestions. An ADU ordinance was passed by Council on 9/02/15, and the Affordable Housing Requirement ordinance will be introduced soon. Adoption of these key actions will affirm the City's commitment to the production, preservation and maintenance of well-located affordable and workforce housing.



ORDINANCE	
BILL	

TO AMEND CHAPTER 14, CHAPTER 18, and CHAPTER 22, REVISED ORDINANCES OF HONOLULU 1990, AS AMENDED, RELATING TO INCENTIVES FOR ACCESSORY DWELLING UNITS PRODUCTION.

BE IT ORDAINED by the People of the City and County of Honolulu:

SECTION 1. Purpose and intent. The purpose of this ordinance is to temporarily exempt "accessory dwelling units," as defined in Section 21-10.1, from certain fees and to permanently exempt accessory dwelling units from the requirement to provide or dedicate land for park and playground purposes.

The intent of this ordinance is to provide incentives to stimulate the creation of accessory dwelling units, in order to increase the number of affordable rental units and to help alleviate Honolulu's housing shortage.

SECTION 2. Chapter 14, Article 10, Revised Ordinances of Honolulu (ROH) 1990, as amended ("Wastewater System Facility Charges"), is amended by adding a new section for "waiver of wastewater system facility charges for accessory dwelling unit projects," Section 14-10.7, to read as follows:

# <u>"Sec. 14-10.7</u> <u>Waiver of wastewater system facility charges for accessory dwelling unit projects.</u>

The wastewater system facility charges, as set forth in Appendix 14-D of this chapter, for the creation of an "accessory dwelling unit", as defined in Section 21-10.1, shall be waived. The wastewater system facility charges that were collected for the creation of "accessory dwelling units" from the effective date of Ordinance 15-41 (September 14<sup>th</sup>, 2015) shall be reimbursed, if requested by the permittee. The wastewater system facility charges waiver shall be repealed on June 30, 2018."



ORDINANCE _	
BILL	

SECTION 3. Section 14-14.4, ROH 1990, as amended, is amended to read as follows:

#### "Sec. 14-14.4 Permit fees.

(a) Prior to issuance of a grading permit, a permit fee for grading on the same site based on the volume of excavation or fill measured in place, whichever is greater, shall be collected according to the following schedule:

Volume of Material	Permit Fee
1,000 cubic yards or less	\$55.00 for each 100 cubic yards or fraction thereof
More than 1,000 to less than 10,000 cubic yards	\$550.00 for the first 1,000 cubic yards plus \$55.00 for each additional 1,000 cubic yards or fraction thereof
10,000 cubic yards or more	\$1,030.00 for the first 10,000 cubic yards plus \$35.00 per 1,000 cubic yards or fraction thereof

The fee for a permit authorizing work additional to that under a valid permit shall be the difference between the fee paid for the original permit and the fee computed for the entire project.

- (b) Prior to issuance of a grubbing permit, a permit fee of \$110.00 for grubbing areas up to 15,000 square feet plus \$15.00 for each additional 1,000 square feet or fraction thereof shall be collected.
- (c) Prior to issuance of a stockpiling permit, a permit fee of \$55.00 for stockpiling in excess of the first 100 cubic yards plus \$15.00 for each additional 1,000 cubic yards or fraction thereof shall be collected.
- (d) When grading, grubbing or stockpiling is performed by or on behalf of the city, state or federal government, the chief engineer shall waive the collection of any permit fee required in subsections (a), (b) and (c) of this section.
- (e) When a business is certified as a qualified business pursuant to Section 35-1.3, the chief engineer shall waive the collection of any permit fee required in



ORDINANCE _	 _
BILL	

subsections (a), (b) and (c) of this section for the qualified business for a period of three years.

- (f) All permit fees shall be deposited into the highway fund.
- When grading, grubbing or stockpiling permits are processed in conjunction with a building permit for the creation of an "accessory dwelling unit," as defined in Section 21-10.1, the chief engineer shall waive the collection of the permit fees required in subsections (a), (b) and (c) of this section. The grading, grubbing and stockpiling permit fees that were collected for the creation of "accessory dwelling units" from the effective date of Ordinance 15-41 (September 14<sup>th</sup>, 2015) shall be reimbursed, if requested by the permittee. The grading, grubbing or stockpiling permits fee waiver shall be repealed on June 30, 2018."

SECTION 4. Section 18-6.5, ROH 1990, as amended, is amended to read as follows:

# "Sec.18-6.5 Exemptions.

- (a) The city, all agencies thereof and contractors therewith shall be exempt from the requirement of paying plan review and permit fees.
- (b) The building official may grant an exemption from the requirement of paying plan review and permit fees for any person seeking to restore or reconstruct a structure damaged or destroyed as a result of a major disaster. For the purposes of this section:
  - "Major Disaster" means any hurricane, tornado, storm, flood, high water, tsunami, earthquake, volcanic eruption, landslide, mud slide, fire, explosion or other catastrophe occurring in any part of the City and County of Honolulu that causes damage, suffering and loss to such a degree that:
    - (A) The President of the United States has declared, pursuant to the Disaster Relief Act of 1974, P.L. 93- 288, that a major disaster



ORDINANCE _	
	_
BILL	

- exists such that the City and County of Honolulu or any part thereof is eligible for federal disaster assistance programs;
- (B) The governor of the State of Hawaii has declared pursuant to HRS Chapter 209 that a major disaster has occurred;
- (C) The mayor has issued a proclamation declaring the existence of a major disaster; or
- (D) The council has adopted a resolution declaring the existence of a major disaster.
- (2) "Restore and reconstruct" means any repair or other work performed to return a structure to its former condition that does not increase the floor area of the structure beyond that of the structure prior to the major disaster, is in conformance with the building code, flood hazard regulations, land use ordinance, and other applicable laws, and is started within two years of the major disaster.
- (3) The burden of proof that work to be performed qualifies for an exemption from the payment of building permit fees due to a major disaster shall be on the owner of the structure. An applicant filing for such exemption shall certify in writing that the work to be performed shall be in conformance with the requirements of this section.
- (c) All owners and their contractors shall be exempt from paying that portion of any building permit fee for permits issued after September 15, 1994 attributable to the installation of ultra-low flush toilets that they install on their properties to replace existing nonultra-low flush toilets.
- (d) The building official shall waive the collection of any building permit fee for a period of three years where the business has been certified to be a qualified business pursuant to Section 35-1.3.
- (e) The building official shall waive the collection of any building permit fee for any person seeking to replace a dilapidated dwelling unit located on homestead land leased under the Hawaiian Homes Commission Act of 1920. For the purposes of this section:



ORDINANCE _	
BILL	

- (1) "Dilapidated dwelling unit" means any residential home that has significantly deteriorated because of age, termites or other causes, which make the home unsafe, uninhabitable or unhealthy.
- (2) The burden of proof that a dwelling unit is dilapidated which qualifies for an exemption from the payment of building permit fees shall be on the owner of the unit. An applicant filing for such exemption shall attach acceptable proof that the dwelling unit is dilapidated to the building permit application.
- (3) The replacement home may increase the floor area of the originally demolished or removed structure.
- The building official shall waive the collection of any plan review and building permit fees exclusively for the creation of an "accessory dwelling unit," as defined in Section 21-10.1. The plan review and building permit fees that were collected for the creation of "accessory dwelling units" from the effective date of Ordinance 15-41 (September 14<sup>th</sup>, 2015) shall be reimbursed, if requested by the permittee. Building permit fees and plan review fees shall not be waived where a permit was required and work started or proceeded without obtaining such permit. In these cases, fees shall be required following Section 18-6.2(d). The plan review and building permit fee waiver shall be repealed on June 30, 2018."

SECTION 5. Section 22-7.5, ROH 1990, as amended, is amended by amending subsection (a) to read as follows:

# "Sec.22-7.5 Land area required for parks and playgrounds.

The land area required for parks and playgrounds shall be calculated as set forth in this section.

- (a) Country and Residential Districts, Excluding Planned Development Housing Projects. The minimum land area in country and residential districts shall be:
  - (1) For subdivisions involving three or four lots: 50 square feet per dwelling or lodging unit;



ORDINANCE _	
BILL	

- (2) For subdivisions involving five lots: 100 square feet per dwelling or lodging unit;
- (3) For subdivisions involving six lots: 200 square feet per dwelling or lodging unit;
- (4) For subdivisions involving seven or eight lots: 300 square feet per dwelling or lodging unit; and
- (5) For subdivisions involving nine or more lots: 350 square feet per dwelling or lodging unit.

For subdivision actions involving eight or fewer lots, the applicable rate shall be based on the total number of potential lots.

A lot which cannot be further subdivided shall count as one potential lot. For a lot which can be further subdivided, the potential number of lots shall be determined by dividing the area of the lot by the minimum potential lot size for the zoning district.

Dwelling or lodging units shall include existing, proposed and potentially developable units, except for "ohana dwelling units" and "accessory dwelling units" as defined in [the land use ordinance of the city] Section 21-10.1.

- (b) Other Districts and Planned Development Projects Within Residential Districts. The minimum land area required shall be either 10 percent of the maximum permitted floor area or the following, whichever is less:
  - (1) Apartment, resort and mixed-use districts: 110 square feet per dwelling or lodging unit;
  - (2) Planned development project: 110 square feet per dwelling or lodging unit.
- (c) Special District Use Precincts.
  - (1) Dwellings, one-family and two-family and duplex units: 350 square feet per dwelling or lodging unit, in accordance with subsection (a) above;



ORDIN	IANCE _	 
BILL _		

(2) Multiple-family dwelling: 10 percent of the maximum permitted floor area or 110 square feet per dwelling or lodging unit, whichever is less."

SECTION 6. Severability. If any provision of this ordinance or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of the ordinance which can be given effect without the invalid provision or application.

SECTION 7. Ordinance material to be repealed is bracketed. New material is underscored. When revising, compiling or printing this ordinance for inclusion in the Revised Ordinances of Honolulu, the revisor of ordinances need not include the brackets, the bracketed material, or the underscoring.



ORDINANCE_	
BILL	

SECTION 8. This ordinance shall take effect upon its approval; provided that the amendments made to this ordinance in Section 2, Section 3 and Section 4 shall be repealed on June 30, 2018.

	INTRODUCED BY:
DATE OF INTRODUCTION:	
Honolulu, Hawaii	Councilmembers
APPROVED AS TO FORM AND LEGALITY	:
Deputy Corporation Counsel	
APPROVED this day of	, 20 .
KIRK CALDWELL, Mayor	
City and County of Honolulu	